

Project Husky

Outstanding Information Items

The following outlines outstanding information requests and the potential impact that the failure to receive these documents might have on Blackstone's preliminary report.

Item	Description	Impact on TBG Report
WA 5	Confirmation from Premera that Blackstone has received all correspondence between the Company and Goldman Sachs	Blackstone's judgment on whether an adequate business case was made for the conversion could be inconclusive or erroneous without this data
WA 6	Log with general description of the subject matter for the materials redacted from the data production that are privileged materials	Blackstone recently received a Privilege Log from Premera identifying 111 documents / information request items on which Premera has claimed as Attorney-Client Privileged. Without many of these documents, Blackstone's judgment on whether an adequate business case was made for the conversion could be inconclusive or erroneous
WA 13	Correspondence between Premera and the BCBSA regarding the proposed conversion and related or alternative transactions	Blackstone's judgment on whether an adequate business case was made for the conversion could be inconclusive or erroneous without this data
WA 49 and WA 50	Any tax opinions or memorandum or ruling requests that relate to the Company's tax status	Blackstone could complete its analysis without this data; however, Blackstone's valuation (including comparable company analysis, precedent transaction analysis and DCF analysis) could be erroneous if the tax assumptions that Blackstone were assuming proved to be incorrect
C 241	Capital needs and plans for the next three years	Blackstone's judgment on whether an adequate business case was made for the conversion could be inconclusive or erroneous without this data

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E 403	Copy of the Microsoft contract	The Company's relationship with Microsoft is an important part of the Company's growth strategy. As such, an understanding of the Company's relationship with Microsoft is important to Blackstone's due diligence
E 438 and E 439	Written representations made by Premera management to Ernst & Young in connection with E&Y's issuance of tax opinions	Blackstone could complete its analysis without this data; however, Blackstone's valuation (including comparable company analysis, precedent transaction analysis and DCF analysis) could be erroneous if the tax assumptions that Blackstone were assuming proved to be incorrect
WA 74 and E 482	Allocation of net investment income to WA, AK and Other for WA 26 and WA 74 and explanation of the SG&A differences by WA, AK and Other when examined by product. Review of expense allocations and explanation of large differences in percentage of premium allocated to SG&A for similar products	Without all of the available information on financial performance by state, Blackstone could not complete its analysis of the division of proceeds between Washington and Alaska
E 505 and E 506	An analysis of Premera's capital needs and an analysis of the impact of Premera's proposed IPO on the financial performance of the Company	It will be important for Blackstone to analyze the uses of capital to determine the potential impact of the IPO on the Company's financial statements and the value of the Foundation Shareholder's equity stake in Premera